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State of Utah
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas & Mining

MICHAEL R. STYLER
Executive Director

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Division Director

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**TERMINATION of
Cessation Order**

To the following Permittee or Operator:

Name: Parry Barlow

Mailing Address: 1340 West Uzona Avenue, Hildale, Utah 84784

Mine Name: Iron Mines Permit Number: S/021/037

Utah Mined Land Reclamation Act, Section 40-8-1 et. seq., *Utah Code Annotated (1953)*:

Cessation Order No: MC-2005-02-07(1) dated November 2, 2005

Part 1 of 1 is ☐ vacated ☒ terminated because: The terms of the CO have been met, i.e. an MR-SMO has been submitted and adequate surety has been posted for the site.

Part ____ of ____ is ☐ vacated ☐ terminated because: _____

Date of service/mailling: 4/17/02

Time of service/mailling 3:00 ☐ a.m. ☒ p.m.

Permittee or Operator Representative

Title

Signature

Doug Jensen
Division of Oil, Gas & Mining Representative

Reclamation Specialist
Title

Doug Jensen
Signature

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WORKSHEET FOR ASSESSMENT OF PENALTIES
DIVISION OF OIL, GAS & MINING
Minerals Regulatory Program

COMPANY / MINE Perry Barlow/ Iron Mines PERMIT S/021/037
NOV / CO # MC-05-02-07(1) VIOLATION 1 of 1

REASSESSMENT DATE September 18, 2006

ASSESSMENT OFFICER Daron R. Haddock

I. HISTORY (Max. 25 pts.) (R647-7-103.2.11)

- A. Are there previous violations, which are not pending or vacated, which fall within three (3) years of today's date?

PREVIOUS VIOLATIONS	EFFECTIVE DATE	POINTS (1pt for NOV 5pts for CO)
<u>none</u>	<u></u>	<u></u>
<u></u>	<u></u>	<u></u>

TOTAL HISTORY POINTS 0

II. SERIOUSNESS (Max 45pts) (R647-7-103.2.12)

NOTE: For assignment of points in Parts II and III, the following apply:

1. Based on facts supplied by the inspector, the Assessment Officer will determine within each category where the violation falls.
2. Beginning at the mid-point of the category, the Assessment Officer will adjust the points up or down, utilizing the inspector's and operator's statements as guiding documents.

Is this an EVENT (A) or Administrative (B) violation? Event
(assign points according to A or B)

A. EVENT VIOLATION (Max 45 pts.)

1. What is the event which the violated standard was designed to prevent?

Mining without appropriate approvals/ Environmental Harm/ Damage to Property

2. What is the probability of the occurrence of the event which a violated standard was designed to prevent?

<u>PROBABILITY</u>	<u>RANGE</u>
None	0
Unlikely	1-9
Likely	10-19
Occurred	20

ASSIGN PROBABILITY OF OCCURRENCE POINTS 20

PROVIDE AN EXPLANATION OF POINTS:

*** *An Operator is required to file a notice of intention to commence mining operations with the Division of Oil Gas and Mining prior to conducting mining operations. An area has been disturbed at this location without the operator having obtained approval to do so or without posting a bond. Rock and mineral material has been excavated from the site using mechanized equipment and some rock has been hauled from the site. Disturbance has actually occurred.*

3. What is the extent of actual or potential damage? RANGE 0-25

In assigning points, consider the duration and extent of said damage or impact, in terms of area and impact on the public or environment.

ASSIGN DAMAGE POINTS 5

PROVIDE AN EXPLANATION OF POINTS:

*** *The inspector stated that the Operator was removing and selling rock from the site. Damage would be the loss of resources such as permanent vegetation and soil from the area disturbed. Approximately 4 acres have been disturbed during this activity. There is potential for sediment to leave the site, but no evidence of impacts off the site was directly observed. The disturbed area is relatively small and the potential for damage is considered minor because much of the site was previously disturbed. Points are assigned in the lower part of the range.*

B. ADMINISTRATIVE VIOLATIONS (Max 25pts)

1. Is this a POTENTIAL or ACTUAL hindrance to enforcement? NA
RANGE 0-25

Assign points based on the extent to which enforcement is actually or potentially hindered by the violation.

ASSIGN HINDRANCE POINTS N/A

PROVIDE AN EXPLANATION OF POINTS:

TOTAL SERIOUSNESS POINTS (A or B) 25

III. DEGREE OF FAULT (Max 30 pts.) (R647-7-103.2.13)

- A. Was this an inadvertent violation which was unavoidable by the exercise of reasonable care? IF SO--NO NEGLIGENCE; or, was this a failure of a permittee to prevent the occurrence of a violation due to indifference lack of diligence, or lack of reasonable care, the failure to abate any violation due to the same or was economic gain realized by the permittee? IF SO--GREATER DEGREE OF FAULT THAN NEGLIGENCE.

No Negligence	0
Negligence	1-15
Greater Degree of Fault	16-30

STATE DEGREE OF NEGLIGENCE Negligence

ASSIGN NEGLIGENCE POINTS 5

PROVIDE AN EXPLANATION OF POINTS:

******* *The inspector indicated that the operator was not aware of the need for a permit from DOGM for this operation. He did not realize that removing the rock from previous mine dumps would be considered to be a mining operation. This indicates indifference to the rules or lack of reasonable care. A prudent operator would understand the need to obtain a permit prior to conducting mining operations. No contact was made to the Division, to verify the need for a permit. Once the requirements were explained to the Operator, he was very cooperative and expressed the desire to achieve compliance. The Operator was considered negligent primarily out of ignorance and the confusion about what constitutes mining operations, thus the assignment of points in the lower third of the negligence range.*

IV. GOOD FAITH (Max 20 pts.) (R467-7-103.2.14)

(Either A or B) (Does not apply to violations requiring no abatement measures)

- A. Did the operator have onsite, the resources necessary to achieve compliance of the violated standard within the permit area?
IF SO--EASY ABATEMENT

Easy Abatement Situation

X	Immediate Compliance	-11 to -20*
	(Immediately following the issuance of the NOV)	
X	Rapid Compliance	-1 to -10
	(Permittee used diligence to abate the violation)	
X	Normal Compliance	0
	(Operator complied within the abatement period required)	
	(Operator complied with condition and/or terms of approved Mining and Reclamation Plan)	

*Assign in upper or lower half of range depending on abatement occurring the 1st or 2nd half of abatement period.

- B. Did the permittee not have the resources at hand to achieve compliance, or does the situation require the submission of plans prior to physical activity to achieve compliance?

IF SO--DIFFICULT ABATEMENT

Difficult Abatement Situation

- | | | |
|---|---|-------------|
| X | Rapid Compliance | -11 to -20* |
| | (Permittee used diligence to abate the violation) | |
| X | Normal Compliance | -1 to -10* |
| | (Operator complied within the abatement period required) | |
| X | Extended Compliance | 0 |
| | (Permittee took minimal actions for abatement to stay within the limits of the NOV or the violated standard of the plan submitted for abatement was incomplete) | |
| | (Permittee complied with conditions and/or terms of approved Mining and Reclamation Plan) | |

EASY OR DIFFICULT ABATEMENT? difficult

ASSIGN GOOD FAITH POINTS -15

PROVIDE AN EXPLANATION OF POINTS:

*** *A small mine Notice of Intent was filed by the Operator on November 17, 2005. This was very timely and would indicate rapid compliance. However, the abatement for this violation became complicated when the Land Owner (Nicholls) chose to permit the site. Mr. Nicholls submitted a NOI on December 22, 2005 and a reclamation bond was finally submitted on April 17, 2006, which finally abated the Cessation Order and allowed it to be terminated. Although this seems to be an extended period of time, Mr. Barlow was very responsive during this entire time. He was somewhat constrained by the timeframes that Mr. Nicholls dictated in his application, but always responded when asked to and was quick to request an extension when needed. Because of Mr. Barlow's responsiveness in the face of a difficult abatement, 15 good faith points are awarded.*

V. ASSESSMENT SUMMARY (R647-7-103.3)

NOTICE OF VIOLATION # <u>MC-05-02-07-01</u>	
I. TOTAL HISTORY POINTS	<u>0</u>
II. TOTAL SERIOUSNESS POINTS	<u>25</u>
III. TOTAL NEGLIGENCE POINTS	<u>5</u>
IV. TOTAL GOOD FAITH POINTS	<u>-15</u>
TOTAL ASSESSED POINTS	<u>15</u>
TOTAL ASSESSED FINE	<u>\$ 330</u>